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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 3247

03/16/2016 Authored by Loonan, Davids, Albright, Theis, Petersburg and others
The bill was read for the first time and referred to the Committee on Commerce and Regulatory Reform

1.1 A bill for an act
1.2 relating to no-fault auto insurance; regulating basic economic loss benefits;
1.3 preventing double recovery; amending Minnesota Statutes 2014, section 65B.44,
1.4 subdivision 1.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2014, section 65B.44, subdivision 1, is amended to read:

1.7 Subdivision 1. **Inclusions.** (a) Basic economic loss benefits shall provide
1.8 reimbursement for all loss suffered through injury arising out of the maintenance or use
1.9 of a motor vehicle, subject to any applicable deductibles, exclusions, disqualifications,
1.10 and other conditions, and shall provide a minimum of \$40,000 for loss arising out of the
1.11 injury of any one person, consisting of:

1.12 (1) \$20,000 for medical expense loss arising out of injury to any one person; and

1.13 (2) a total of \$20,000 for income loss, replacement services loss, funeral expense
1.14 loss, survivor's economic loss, and survivor's replacement services loss arising out of the
1.15 injury to any one person.

1.16 (b) Notwithstanding any other law to the contrary, a person entitled to basic
1.17 economic loss benefits under this chapter is entitled to the full medical expense benefits
1.18 set forth in subdivision 2 minus the value of basic or optional economic loss benefits paid
1.19 or payable as part of the recovery awarded in a negligence action brought pursuant to
1.20 section 65B.51 to the extent necessary to avoid a double recovery, and may not receive
1.21 medical expense benefits that are in any way less than those provided for in subdivision
1.22 2, or that involve any preestablished limitations on the benefits. Medical expenses must
1.23 be reasonable and must be for necessary medical care as provided in subdivision 2. This

2.1 paragraph shall not be deemed to alter the obligations of an insured or the rights of a
2.2 reparation obligor as set forth in section 65B.56.

2.3 (c) No reparation obligor or health plan company as defined in section 62Q.01,
2.4 subdivision 4, may enter into or renew any contract that provides, or has the effect of
2.5 providing, managed care services to no-fault claimants. For the purposes of this section,
2.6 "managed care services" is defined as any program of medical services that uses health care
2.7 providers managed, owned, employed by, or under contract with a health plan company.

2.8 **EFFECTIVE DATE; APPLICATION.** This section is effective August 1, 2016,
2.9 and applies to actions arising from incidents occurring on or after that date.